BEFORE THE TENNESSE AT NASHVI	E REGULAT ILLE, TENNE		ORITY REC' REGULAT	D TN ORY AUTH.
			or yam po.	PM 4 15
CONSUMER ADVOCATE DIVISION)		OF 150 8-00626EXECUTIV	E SECRETARY
v.) DOC	KET NO. 98	3-00626 1	
UNITED TELEPHONE SOUTHEAST)			

RESPONSE TO MOTION TO STRIKE

Comes the Consumer Advocate Division in response to UTSE's motion to strike and admits that the hearing officer prohibited testimony in this proceeding regarding the treatment of payphone subsidies as it related to aggregate revenue increases under Tenn. Code Ann. § 65-5-209. CAD further admits that it did not raise the matter by appealing the hearing officer's decision, but contends that it has no duty to present futile motions, and that such an appeal would have been futile based upon the Tennessee Regulatory Authority's decision in Docket No. 95-02614. Nevertheless, CAD intends to preserve the issue and will present an evidentiary proffer. The Consumer Advocate Division may also file a request for a declaratory judgment on the issue.

CAD believes the failure to consider payphone subsidies in this proceeding would be arbitrary and capricious and not in accordance with law as provided by 47 U.S.C. 276. Moreover, continuing to directly or indirectly subsidize causes consumers to pay inappropriate rates and harms competitive payphone providers.

Respectfully submitted,

L. Vincent Williams

Consumer Advocate

Office of the Attorney General & Reporter 425 Fifth Avenue North, Second Floor

Nashville, TN. 37243-0500

615-741-8700

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition has been faxed and or mailed postage prepaid to the parties listed below this / day of May 1999.

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